

Message Text

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PAGE 01 TEHRAN 00872 011549Z

50/63 S

ACTION EB-11

INFO OCT-01 ISO-00 AF-10 ARA-16 EA-11 EUR-25 NEA-11 RSC-01

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10

PA-04 PRS-01 SPC-03 SS-20 USIA-15 SAM-01 AID-20 FEA-02

SCI-06 OMB-01 CIEP-02 COME-00 INT-08 TRSE-00 AGR-20

DRC-01 /223 W

----- 036536

R 311245Z JAN 74

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 5286

INFO AMEMBASSY ABU DHABI

AMEMBASSY BEIRUT

AMEMBASSY CARCAS

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY LONDON

AMEMBASSY ROME

AMEMBASSY TRIPOLI

C O N F I D E N T I A L TEHRAN 00872

C O R R E C T E D COPY (MRN 872 VICE 871)

STATE ALSO FOR T/IEP

E.O. 11652: GDS

SUBJECT: ENERGY: CRUDE OIL PRICES

REF: STATE 016493

BEIRUT PLEASE PASS BAGHDAD

1. WITHOUT WISHING TO ENGAGE IN POLEMICS OR LOCK HORNS
WITH STATISTICAL EXPERTS, WE WISH TO CALL THE DEPT'S

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ATTENTION TO THE FOLLOWING ARRAY OF PRICE INCREASES

(IN PERCENTAGES) OF COMMODITIES WHICH IRAN BUYS IN
LARGE QUANTITIES FROM THE UNITED STATES. THESE ARE THE
BASES FOR MANY OF THE SHAH'S AND OTHER IRANIAN LEADERS'
SOMEWHAT ACERB REACTIONS TO SUGGESTIONS THAT OIL PRICES
HAVE GONE UP TOO HIGH.

SOURCE: CALCULATED PERCENTAGES FROM FAS WEEKLY COMMODITY
PRICES AND ALL COMMODITIES FOB US PORTS.

	PCT CHANGE	PCT CHANGE
SINCE	SINCE	
JAN 72	JAN 1, 73	

COMMODITY

WHEAT #2 HARD WINTER ORDINARY	PLUS 350	PLUS 190
WHEAT #2 WESTERN WHITE	PLUS 360	PLUS 190
BARLEY #2 WESTERN	PLUS 230	PLUS 150
CORN #3 YELLOW	PLUS 220	PLUS 160
RICE #2 LONG GRAIN, 4PCT BROKEN	PLUS 400	PLUS 230
COTTONSEED OIL, CRUDE BULK	PLUS 190	PLUS 240
SOYBEAN OIL, CRUDE BULK	PLUS 220	PLUS 260
TALLOW, INEDIBLE	PLUS 280	PLUS 220
WHEAT FLOUR BAGGED 11 PCT PROTEIN	PLUS 340	PLUS 220

2. IRANIANS, AS WE, ARE SELECTIVE IN THEIR CHOICE OF
COMMODITY STATISTICS THEY USE. ON THE OTHER HAND
EMBASSY FINDS IT VERY DIFFICULT TO HANDLE CONVINCINGLY THE
74. PERCENT INCREASE IN MAJOR AGRICULTURAL COMMODITIES AND
INDUSTRIAL RAW MATERIALS CITED IN THE JAN 15, 1974 INR REPORT
ON THIS SUBJECT.

3. IT APPEARS TO THIS EMBASSY THAT AN AGREED AND NON-
CONTROVERSIAL SET OF STATISTICS WHICH PAYS HEED TO
CLEARLY EVIDENT PRICE INCREASES MUST BE FORMULATED AND
SOON. OTHERWISE, THE EVENTUAL DIALOGUE BETWEEN OIL CONSUMERS
AND PRODUCERS IS BOUND TO GET OFF TO A BAD START. THE OPEC
COUNTRIES IN THE MAIN BELIEVE THEY HAVE A GRIEVANCE AND
IT IS DEALING WITH THAT GRIEVANCE WHICH THE WHOLE EXERCISE
IS ABOUT.
HELMS

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NNN

Message Attributes

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30 JUN 2005

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